

VA Ag BMP Cost Share

Programmatic Changes for 2018

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FY 2018-19 VACS Cost-share Funds \$

2018 VACS Cost-share & CREP \$

CB VACS

OCB VACS

\$ = 8,313,487

\$ = 5,568,050

\$13,881,537

- Total TA \$7,417,751

Statewide CREP Budget =\$500,000

Additional \$ may be available if recordation
fees > \$8.2M

Technical Assistance

- Keep FY 2013 TA \$ as a base level of TA \$ for all SWCDs PLUS
 - VACS TA Allocations from VNRCF 12% of cost-share \$
- Total statewide Administration & Operations Funding = \$7,191,091
 - A&O \$ includes \$500,000 in small dam repair

2018 VACS cost-share Allocation Calculations

- HU rankings changed based upon new 2016 Agricultural NPS Assessment
 - Recalibrated hydrology (based upon new weather data)
 - New BMP reductions for implemented BMPs
- Historically and 2018 Cost-share Allocations;
 - 50% of \$ to H ranked HUs (20% of HUs)
 - 30% of \$ to M ranked HUs (Middle 30% of HUs)
 - 20% of \$ to L ranked (Lowest 50% of HUs)

2018 Allocations & Cost-share Grants

- 2018 VACS allocations may be moved back to 2015 to fund SL-6 Pending applications
 - 2015 SL-6 Pending (no cost-share cap)
 - However impacts participants ability to get other Cost-share applications approved
 - Use “Participant contracts” to see all approved cost-share for an applicant

VACS Cost-share Caps

- NO CHANGE FROM 2017
 - \$50,000 for agronomic practices
 - \$70,000 for SL-6, WP-4, WP-4B (may be more than one <\$70K)
- District may set lower participant caps
- RMP- 1 (from VACS) & (RMP-2 C-s \$ set aside) not counted against participant cap

Cost-share caps

- Cost-share caps apply the year that funding is approved by the BOD
- 2015 SL-6 Pending no cap on this practice
 - However, impacts programmatic cap, in the fiscal year it is approved
 - If >\$70K, then No other cost-share \$ in FY approved
 - If < \$70K can use difference to fund other SL-6, WP-4 or WP-4B

Issues with C-S Caps

- Most cap issues stem from early approval of agronomic BMP
 - Approve \$40K+ NM-1A & SL-8 then
 - later approval of 2015 SL-6 Pending application >\$70K
- Must choose one or the other
- Use “Participant contracts” to see all approved cost-share for an applicant

Section I of the BMP Manual is “Policy and Procedures on Soil and Water Conservation District Cost-share and Technical Assistance Funding Allocations for Fiscal Year 2018”

- All 2018 policies and procedures have been approved by the Soil and Water Conservation Board
- The 2018 Ag BMP Manual reflects these approved policies and specifications

Some Important Policy Changes for FY 2018

- existing 2017, SL-6 Earmark & 2016 Supplemental, etc. End of Year Accounting to CDCs 7/17/2017
- 2018 Reallocation of cost-share funds if 90% of 2016-2017 & 2018 cost-share \$ not obligated by April 1, 2018
- Start TAC meetings in June (14) therefore need suggestions for changes to VACS by May 31
- FR-3 added to list of practices excepted from approving applications in highest ranking HU (priority consideration #1).

Writing NMPs

- No cost-share for writing NMPs:
 - If written by DCR staff **OR**
 - District staff for a NMP that will be approved by your own BoD, considered a District TA service
 - This includes NMPs within RMP
- District staff can be paid to write NMP on their own time that is approval by another Districts BoD

Conflict of Interest Act Revised

Allows officers & employees of SWCDs or immediate family members to participate in VACS program or other cost-share programs for installation of BMPs to improve water quality

Taxpayer Use of Ag. BMP Tax Credit

- Taxpayers can only claim tax credit when paying taxes for the calendar year in which the BMP was certified as **complete**
 - Ag BMP tax credits cannot be held over
- If taxpayer owes less taxes than the value of the tax credit, DOT will write check for the difference

Soil and Water Conservation Board (SWCB) Changes to VACS for 2018

- Transfer Agreement, clarify that form must be signed by BoD member
- Update biosecurity section to comply with VA Veterinarians office recommendations
- SL-11B Allow Tax credit on hardened winter feeding pad within paddock where stream exclusion fence is already installed

2018 Same as FY 2017

- Full Accounting at the end of FY 2017
 - EOY Reports & Carryover Reports
- May obligate SL-6 earmark & 2016 supplemental allocation \$ for SL-6 Pending's through 2018
- and/or 2018 VACS Allocation \$ to fund existing 2015 SL-6 Pending Applications

Precision Nutrient Management

- No NM-5 in 2018 split into two practices
- NM-5N Precision Nutrient Management of Nitrogen on Cropland (not for alfalfa)
 - Variable rate Nitrogen application based upon zone or grid soil sampling
 - Requires the implementation of two eligible components:

Corn Stalk Nitrate Test, Pre-side dress Nitrate Test,
Rate= \$8/acres for acres receiving variable rate N or P
applications + \$8 /Test

NM-5P Nutrient Management of Phosphorous on Cropland

- **NM-5P for Phosphorous**
 - Rate= \$8/acres for acres receiving variable rate P applications
- **Must apply variable rate P based upon test results**
- **Can participate in NM-5N and/or NM-5P**
- **Not eligible if Biosolids applied within last 24 months (both 5N & 5P)**

New Nutrient Management Language (in any specification that requires NMP)

- In order to be eligible for cost-share or tax credit, nutrient management plans must be prepared by a certified planner who holds a current Nutrient Management Planner Certificate issued by the Virginia Department of Conservation and Recreation. Nutrient Management Plans must be written to comply with all requirements set forth in the Nutrient Management Training and Certification Regulations, (4 VAC 50-85-10 et seq.) and the criteria set forth in the Virginia Nutrient Management Standards and Criteria, revised July 2014.

Hayland is Cropland

Highly Managed Hayland: Is a production system where cropland dedicated to hay production is not grazed. If grass-based, the participants must produce at least 3 cuttings a year of hay, and may have a nitrogen application for each cutting. However, in a designated drought condition the third cutting and nitrogen application would not be required. If legume based (e.g. alfalfa), the participants are exempt from the nitrogen application, and are eligible for phosphorus management under NM-5P. Land (pasture) that is primarily grazed is not to be considered highly managed hayland.

Other Changes

- WQ-12 Roof Runoff Management clarify that primary purpose is to protect roof runoff from bacteriologic contamination from barnyards & animal handling areas
- NM-1A allow cost-share on NM-1A & RMP-1 simultaneously to allow new or revision of NMP tied to RMP
- SL-15A Implement only once on any land

Conservation Planning (CP) Module

- District Conservation Technicians will need to be trained and request security access to use CP module
- DCR will provide on-line and in classroom trainings
- More strict IT Security Requirements

NRCS standards updated

- FR-4 Add 362 Diversion & 382 Fence
- SE-2 add 342 Critical Area Planting, 580 Streambank and Shoreline Protection & 612 Tree/Shrub Establishment
- SL-6 & SL-7 Remove NRCS 512 Forage & Biomass Planting
- Remove all reference to NRCS 590 Nutrient Management

Conservation Reserve Enhancement Program (CREP)

- All new 2018 CREP contracts at 25% state cost-share
- 70 existing CREP applications developing Conservation Plans & Cost estimates
- FSA Chesapeake Bay Incentive Payment (CBIP) for restoring RFB in CB drainage

QUESTIONS?

